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## Consumer Price Index, Los Angeles area – October 2014

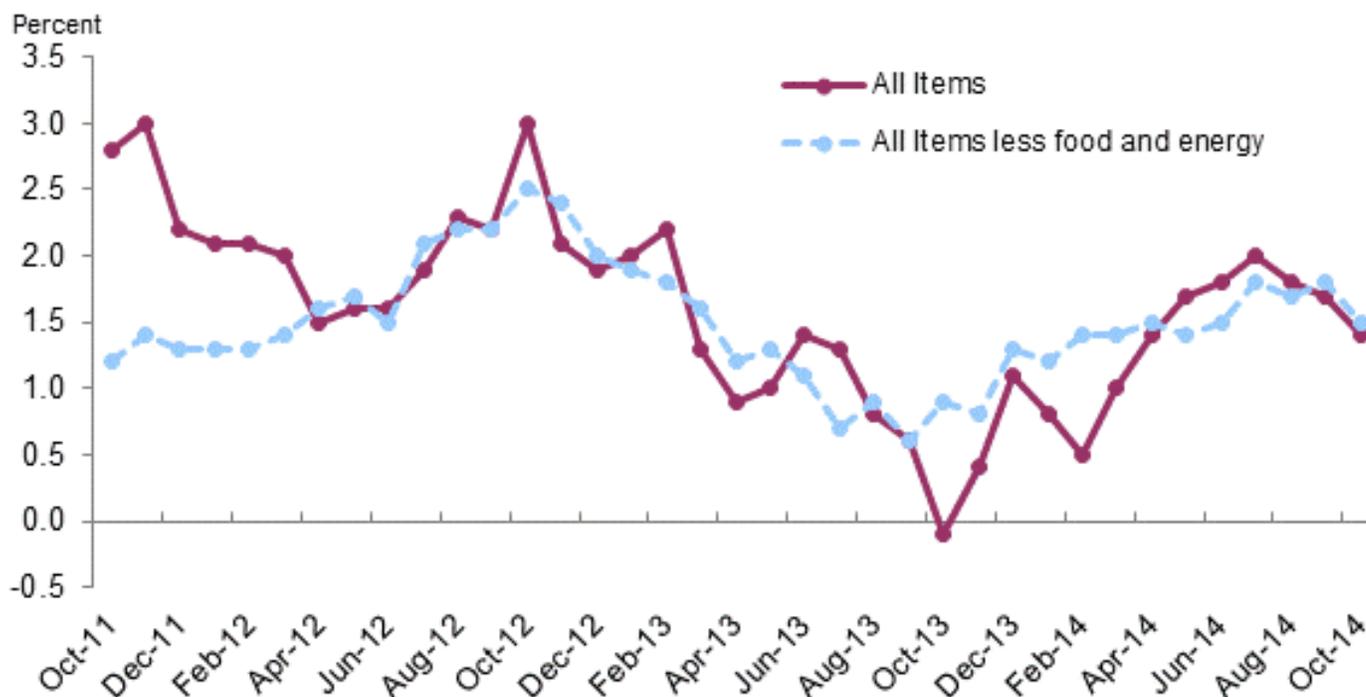
Area prices were down 0.1 percent over the past month, up 1.4 percent from a year ago

Prices in the Los Angeles area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), inched down 0.1 percent in October, the U.S. Bureau of Labor Statistics reported today. (See [table A.](#))

Regional Commissioner Richard J. Holden noted that the October decrease was influenced by lower prices for gasoline and apparel. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U advanced 1.4 percent. (See [chart 1.](#)) Energy prices declined 2.0 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy rose 1.5 percent since October 2013.

Chart 1. Over-the-year percent change in CPI-U, Los Angeles, October 2011–October 2014



Source: U.S. Bureau of Labor Statistics.

## Food

Food prices advanced 0.3 percent for the month of October. (See [table 1.](#)) Prices for food at home advanced 0.4 percent, while prices for food away from home were unchanged for the same period.

Over the year, food prices advanced 3.0 percent. Prices for food at home rose 3.1 percent since a year ago, and prices for food away from home rose 2.8 percent.

## Energy

The energy index decreased 3.4 percent over the month. The decrease was mainly due to lower prices for gasoline (-6.3 percent). Prices for electricity advanced 3.0 percent, but prices for natural gas service decreased 1.1 percent in October.

Energy prices declined 2.0 percent over the year, largely due to lower prices for gasoline (-6.1 percent). Prices paid for natural gas service jumped 10.8 percent, and prices for electricity rose 3.5 percent during the past year.

## All items less food and energy

The index for all items less food and energy inched up 0.1 percent in October. Higher prices for household furnishings and operations (1.8 percent) and shelter (0.2 percent) were partially offset by lower prices for apparel (-1.3 percent) and recreation (-0.4 percent).

Over the year, the index for all items less food and energy rose 1.5 percent. Components contributing to the increase included shelter (2.5 percent) and other goods and services (2.3 percent). Partly offsetting the increases was a price decline in the household furnishings and operations index (-1.3 percent).

**Table A. Los Angeles-Riverside-Orange County CPI-U monthly and annual percent changes (not seasonally adjusted)**

Month	2009		2010		2011		2012		2013		2014	
	Monthly	Annual										
January.....	0.5	-0.1	0.4	1.8	0.9	1.8	0.8	2.1	0.8	2.0	0.5	0.8
February.....	0.3	0.0	0.0	1.4	0.5	2.3	0.5	2.1	0.7	2.2	0.5	0.5
March.....	0.0	-1.0	0.4	1.9	1.1	3.0	1.0	2.0	0.1	1.3	0.6	1.0
April.....	0.1	-1.3	0.2	1.9	0.5	3.3	0.0	1.5	-0.4	0.9	0.0	1.4
May.....	0.4	-1.8	0.2	1.8	0.0	3.1	0.1	1.6	0.1	1.0	0.4	1.7
June.....	0.6	-2.2	-0.2	0.9	-0.4	2.9	-0.4	1.6	-0.1	1.4	0.1	1.8
July.....	0.0	-2.6	0.1	0.9	-0.4	2.4	-0.1	1.9	-0.1	1.3	0.1	2.0
August.....	0.2	-1.7	0.2	0.8	0.2	2.4	0.6	2.3	0.1	0.8	-0.1	1.8
September.....	0.3	-1.0	-0.1	0.4	0.5	3.1	0.4	2.2	0.2	0.6	0.0	1.7
October.....	0.0	-0.4	0.3	0.7	0.0	2.8	0.8	3.0	0.1	-0.1	-0.1	1.4
November.....	-0.4	0.9	-0.4	0.7	-0.1	3.0	-1.0	2.1	-0.5	0.4		
December.....	-0.3	1.8	0.3	1.3	-0.5	2.2	-0.7	1.9	0.0	1.1		

## CPI-W

In October, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 235.921, down 0.2 percent from September. The CPI-W increased 1.4 percent over the year.

**The November 2014 Consumer Price Index for the Los Angeles-Riverside-Orange County is scheduled to be released on December 17, 2014, at 10:00 a.m. (PST).**

## Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at [www.bls.gov/cpi](http://www.bls.gov/cpi) and the *BLS Handbook of Methods, Chapter 17, The Consumer Price Index*, available on the Internet at [www.bls.gov/opub/hom/homch17\\_a.htm](http://www.bls.gov/opub/hom/homch17_a.htm).

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The Los Angeles-Riverside-Orange County, CA. metropolitan area covered in this release is comprised of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties in the State of California.

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**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted)**

Item and Group	Indexes			Percent change from-		
	Aug. 2014	Sep. 2014	Oct. 2014	Oct. 2013	Aug. 2014	Sep. 2014
<b>Expenditure category</b>						
All items .....	243.556	243.623	243.341	1.4	-0.1	-0.1
All items (1967=100) .....	719.571	719.770	718.938	-	-	-
Food and beverages .....	246.073	246.471	247.050	2.8	0.4	0.2
Food .....	246.262	246.723	247.370	3.0	0.4	0.3
Food at home .....	256.413	257.152	258.233	3.1	0.7	0.4
Food away from home .....	229.902	230.004	230.089	2.8	0.1	0.0
Alcoholic beverages .....	228.998	228.601	228.320	1.1	-0.3	-0.1
Housing .....	261.111	261.662	262.764	2.4	0.6	0.4
Shelter .....	293.381	294.404	295.041	2.5	0.6	0.2
Rent of primary residence <sup>(1)</sup> .....	306.431	306.995	308.258	2.9	0.6	0.4
Owners' equiv. rent of residences <sup>(1) (2)</sup> .....	305.754	306.389	307.264	2.5	0.5	0.3
Owners' equiv. rent of primary residence <sup>(1) (2)</sup> .....	305.757	306.388	307.260	2.5	0.5	0.3
Fuels and utilities .....	301.695	302.470	304.815	5.2	1.0	0.8
Household energy .....	271.463	272.266	277.081	5.4	2.1	1.8
Energy services <sup>(1)</sup> .....	270.059	270.797	275.668	5.4	2.1	1.8
Electricity <sup>(1)</sup> .....	303.839	305.582	314.871	3.5	3.6	3.0
Utility (piped) gas service <sup>(1)</sup> .....	234.814	233.799	231.113	10.8	-1.6	-1.1
Household furnishings and operations .....	116.493	115.350	117.421	-1.3	0.8	1.8
Apparel .....	115.164	116.373	114.802	0.6	-0.3	-1.3
Transportation .....	210.909	208.643	205.057	-1.9	-2.8	-1.7
Private transportation .....	206.186	203.411	199.106	-1.9	-3.4	-2.1
Motor fuel .....	300.708	291.985	273.641	-6.0	-9.0	-6.3
Gasoline (all types) .....	294.172	285.611	267.645	-6.1	-9.0	-6.3
Gasoline, unleaded regular <sup>(3)</sup> .....	295.870	287.152	268.856	-6.1	-9.1	-6.4
Gasoline, unleaded midgrade <sup>(3) (4)</sup> .....	278.796	270.754	254.537	-5.3	-8.7	-6.0
Gasoline, unleaded premium <sup>(3)</sup> .....	276.223	268.646	252.391	-6.0	-8.6	-6.1
Medical care .....	416.627	417.119	415.879	0.6	-0.2	-0.3
Recreation <sup>(5)</sup> .....	104.389	105.393	104.948	1.2	0.5	-0.4
Education and communication <sup>(5)</sup> .....	145.913	145.524	145.833	0.7	-0.1	0.2
Other goods and services .....	381.447	381.001	379.760	2.3	-0.4	-0.3
<b>Commodity and service group</b>						
All items .....	243.556	243.623	243.341	1.4	-0.1	-0.1
Commodities .....	181.307	180.500	179.051	-0.2	-1.2	-0.8
Commodities less food & beverages .....	146.000	144.711	142.457	-2.3	-2.4	-1.6
Nondurables less food & beverages .....	194.308	192.781	187.823	-2.4	-3.3	-2.6
Durables .....	98.942	97.891	98.197	-2.0	-0.8	0.3
Services .....	298.069	298.993	299.864	2.4	0.6	0.3
<b>Special aggregate indexes</b>						
All items less medical care .....	235.781	235.833	235.586	1.5	-0.1	-0.1
All items less shelter .....	221.841	221.494	220.815	0.8	-0.5	-0.3
Commodities less food .....	149.846	148.575	146.365	-2.2	-2.3	-1.5
Nondurables .....	221.937	221.300	218.894	0.3	-1.4	-1.1
Nondurables less food .....	198.489	197.019	192.310	-2.1	-3.1	-2.4
Services less rent of shelter <sup>(2)</sup> .....	313.351	314.160	315.395	2.2	0.7	0.4
Services less medical care services .....	287.415	288.377	289.266	2.4	0.6	0.3
Energy .....	290.758	285.637	276.063	-2.0	-5.1	-3.4
All items less energy .....	242.010	242.454	242.845	1.7	0.3	0.2

Note: See footnotes at end of table.

**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted) - Continued**

Item and Group	Indexes			Percent change from-		
	Aug. 2014	Sep. 2014	Oct. 2014	Oct. 2013	Aug. 2014	Sep. 2014
All items less food and energy .....	241.574	242.016	242.360	1.5	0.3	0.1

Footnotes

(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(2) Index is on a December 1982=100 base.

(3) Special index based on a substantially smaller sample.

(4) Indexes on a December 1993=100 base.

(5) Indexes on a December 1997=100 base.

- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.